

ENVIRONMENTAL ASSESSMENT

Case File No: AA-59715

EA No: AK-040-99-042

Type of Action: FLPMA (Sec. 302) Lease for fuel storage site at Kako Landing out of Russian Mission

Location: Section 1, T. 20 N., R. 67 W., Seward Meridian, Alaska

Applicant: Mr. Dave C. Penz

Prepared By: Shirley Rackley, Realty Specialist

Preparing Office: Bureau of Land Management  
Anchorage Field Office  
6881 Abbott Loop Rd.  
Anchorage, Alaska 99507

Date Prepared: October 4, 1999

I. INTRODUCTION

Mr. Dave C. Penz was approved for a Federal Land Policy and Management Act (FLPMA), Section 302 lease in July of 1988. The lease was issued for two years to be used as a fuel storage site. The lease expired in 1990. Since that time Mr. Penz has attempted to renew the lease, but for no apparent reason the lease was never renewed.

The expired lease was for three 500 gallon fuel tanks. Mr. Penz has found that amount inadequate and is proposing to install three 5,000 gallon tanks.

Mr. Penz and his wife have two patented mining claims, Discovery I and Discovery II, and have lived at their claims for many years. The property around them is either selected or conveyed by the Russian Mission Native Corporation and the Calista Corporation. There also are numerous parcels of privately owned land in the area. Mr. Penz has been given letters of non-objection from the Corporations to use selected land for the fuel site.

Mr. Penz has built a retreat at his home that is available for the people of the Delta and others to enjoy. The retreat consists of many cabins and a lodge with a kitchen and dining room that seats over 50. The lodge is also used for a meeting room. The area where the retreat is located is called Kako Landing. The fuel site Mr. Penz is requesting stores fuel for the mining claims and for the retreat. The mines and retreat are approximately six miles from the fuel site.

The Kako Landing is located on the Yukon River approximately 225 miles west-northwest of Anchorage, Alaska, 70 miles north of Bethel. There is a slough that runs off the Yukon River behind Arctic Island which feeds into Kako lake. There between the slough and the lake is where the fuel site is located, approximately 200 feet off the shore, on high ground above the slough, and approximately ¼ mile southeast of Kako lake.

A. Purpose and Need for the Proposed Action:

An application has been received from Mr. Dave Penz for an existing fuel storage site lease pursuant to the FLPMA of 1976 and 43 CFR 2920. If approved, the site will allow an annual supply of fuel for the mining operation of Discovery I and Discovery II mining sites and the Kako Landing Retreat.

B. Conformance with the Land Use Plan:

No land use plan exists for this area. However, this environmental analysis assesses the impacts of the Proposed Action and provides a basis for a decision on the proposal (43 CFR 1610.8 (b)(1)).

C. Relationship to Statutes, Regulations, Policies, Plans or Other Environmental Analyses:

The BLM requires the applicant to obtain a FLPMA, Section 302 lease in order to store fuel for a mining operation. Lease holders are required to abide by guidance from EPA and ADEC based on the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Clean Water Act, and associated State of Alaska regulations. Failure to do so could result in either suspension or revocation of the lease.

II. PROPOSED ACTION AND ALTERNATIVES

A. Proposed Action:

Mr. Dave Penz of Russian Mission, Alaska, is requesting a FLPMA (Section 302) lease for use as a fuel storage site. The proposal is to continue use of a lined earthen dike which would permit safe containment and storage of fuel holding tanks required for operation of Kako Mine. Both gasoline and diesel are stored at the site with gasoline being the major quantity of fuel necessary for operation.

The site, known as Kako Landing, encompasses about one-half acre in Section 1, T. 20 N., R. 67 W., Seward Meridian. The actual fuel site is located within the half acre parcel. The area where the site is located is cleared and no further construction will be necessary. Kako Landing is located within the USGS map Russian Mission, D-7.

The area is approximately 30' by 40' in a berm that is lined with a petroleum grade liner. The berm is built up approximately three feet. Within the berm there are three 5,000 gallon tanks. The containment area meets the ADEC storage requirements.

The bermed area is approximately 200 feet from the river bank, on higher ground than the river.

The tanks are filled annually by a barge traveling on the Yukon River. Temporary hoses are used to transport the fuel from the barge into the tanks. The large tanks are necessary due to the availability of the barge, the barge can only travel in the summer. Mr. Penz has purchased a fuel truck that he uses to transport the fuel to his private property, using an established 17(b) easement (EIN 5 C3 D1).

Spill containment supplies regulated by the DEC are available at the site.

B. No Action Alternative:

The only alternative is No Action which would be denial of the application. This would require the proponent to transport the fuel to his personal property as it is unloaded by the barge. This would be very costly to the applicant and not very effective.

III. AFFECTED ENVIRONMENT

A. General Setting:

The area is located off the Yukon River within vegetation of alder thickets, brush, patches of cottonwood, mixed birch/spruce forest interspersed with dry tundra and gravel areas. The soil is hard packed clay and rocks.

B. Land Status:

The land where the site is located and the surrounding land is Native selected by the Russian Mission Native Corporation and the Calista Corporation. There also are numerous parcels of privately owned land in the surrounding area. Site maps are attached within this document.

C. Critical Elements:

The following critical elements of the human environment are either not present or would not be affected by the Proposed Action or Alternative:

- Areas of Critical Environmental Concern
- Environmental Justice
- Farm Lands (Prime or Unique)
- Floodplains
- Invasive, Non-native Species
- Native American Religious Concerns
- Wastes, Hazardous/Solid
- Water Quality (Surface and Ground)
- Wetlands/Riparian Zones
- Wild and Scenic Rivers
- Wilderness

1. Air Quality:

The air quality at the proposed site is considered to be good. Small amounts of fuel may be smelled during the transfer of the fuel from the barge into the tanks.

2. Section 810 ANILCA:  
Wildlife population management and subsistence harvest is managed by the State of Alaska on the site. No further analysis is necessary at this time.
3. Threatened or Endangered Species:  
Based on currently available information, the Proposed Action would not affect any threatened or endangered species or their habitats. No further consultation is necessary.
4. Cultural Resources:  
No cultural resources are known or expected for the affected parcel. No further consultation is necessary under Section 106 of the National Historic Preservation Act.

#### IV. ENVIRONMENTAL CONSEQUENCES

##### A. Impacts of the Proposed Action:

The Proposed Action will cause minimal disturbance to the land requested to be used as a fuel site as the site is already present.

##### 1. Critical Elements:

###### a. Air Quality:

The Proposed Action stores and transfers fuel, some of which will be released into the atmosphere. In the Proposed Action, fuel storage quantities are ten times higher than previously held at the site, so additional fuel vapor will be released. People near this site may smell the fuel. An unintentional release could occur due to an accident or tank failure. This could cause an explosive atmosphere.

###### b. Wastes, Solid/Hazardous:

Accidental release of fuel to the surface below or outside the liner will contaminate surface soils.

##### B. Mitigation Measures:

The lease agreement requires the lessee to comply with Federal and State laws, which describe the requirements for proper storage, handling, and cleanup of fuels. No additional mitigation measures are necessary.

- C. Cumulative Impacts:  
No residual or cumulative impacts are expected by implementation of the Proposed Action.

V. CONSULTATION AND COORDINATION

- A. Agencies Consulted:  
The following agencies have been contacted:  
EPA  
DNR  
DEC  
State of Alaska  
Russian Mission Native Corporation  
Calista Corporation
- B. List of Preparers:  
Shirley Rackley, Realty Specialist  
David Kelley, Natural Resource Specialist  
Jeff Denton, Subsistence Program Specialist  
Donna Redding, Archaeologist  
Bruce Seppi, Wildlife Biologist  
Deborah Blank, Botanist  
Mike Alcorn, Environmental Protection Specialist